



Basic Formula Prior Year Correction, Attendance Reporting and More

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Topics

- Formula Calculation
 - ▣ Weighting Components
 - ▣ State Adequacy Target
 - ▣ Hold Harmless
- September Payment
- Prior Year Correction
- Attendance Reporting
- Inclement Weather
- Local Tax Effort
- Minimum Salary Requirements
- Non-Certificated Educators



Weighted ADA

Weighting Components

2014-2015 and 2015-2016

- Free and reduced price lunch > 41.00% of ADA weighted at .25
- Special Education (IEP) students > 12.60% of ADA weighted at .75
- Limited English Proficient (LEP) students > 2.10% of ADA weighted at .60

2016-2017 and 2017-2018

- Free and reduced price lunch > 34.40% of ADA weighted at .25
- Special Education (IEP) students > 11.60% of ADA weighted at .75
- Limited English Proficient (LEP) students > 1.80% of ADA weighted at .60
- Recalculated every two years



Example - FRL Weighting

Total ADA (1+2)	100
Free & Reduced Lunch (FRL) count	50
Threshold Percentage	41.00%
Threshold Amount (Total ADA times the threshold percentage)	41
Count to be weighted (FRL count minus Threshold Amount)	9
FRL Weighting (Count to be weighted times weighting of .25 which applies to FRL)	2.25

The example provided is specifically for FRL, this same calculation can be followed for IEP and LEP weighting by using the threshold percentage and weighting components that apply to IEP and LEP.



Example - FRL Weighting

Total ADA (1+2)	100
Free & Reduced Lunch (FRL) count	50
Threshold Percentage	34.40%
Threshold Amount (Total ADA times the threshold percentage)	34.40
Count to be weighted (FRL count minus Threshold Amount)	15.60
FRL Weighting (Count to be weighted times weighting of .25 which applies to FRL)	3.90

The example provided is specifically for FRL, this same calculation can be followed for IEP and LEP weighting by using the threshold percentage and weighting components that apply to IEP and LEP.



State Adequacy Target

- Average expenditures of perfect score Annual Performance Report districts
- 2009-2010 and prior years \$6,117
- 2010-2011 \$6,124
- 2011-2012 \$6,131
- 2012-2013 – 2013-2014 \$6,716 (\$6,131 used)
- 2014-2015 \$6,580 (\$6,131 used)
- 2015-2016 \$6,580 (currently projecting \$6,110)
- 2016-2017 & 2017-2018 \$6,810 (will remain at an adjusted level)
- Recalculated every 2 years



State Adequacy Target

- The SAT will remain at an adjusted level through the calculation process until such time as there is funding available to increase the SAT to the calculated level.
- Beginning with the 2015-2016 year there isn't an adjustment percentage or proration factor being used in the calculation.



Local Tax Effort Reminders

- ❖ Performance levy is \$3.43 for every district except special districts
- ❖ Performance levy does not change when the State Adequacy Target is recalculated
- ❖ Remains constant through the life of the formula, except:
 - ❖ Decrease in assessed valuation below 2004 valuation
 - ❖ Increase in Fines above 2004-05 revenue



Hold Harmless

>350 ADA, hold harmless is:

2005-06 Amount Modified by DVM

2005-06 funding x DVM ÷ 2005-06 WADA



Hold Harmless

≤ 350 ADA, hold harmless is:

the greater of -

2004-05 total state funding from 7 sources

2005-06 total state funding from 7 sources

Includes receipts from:

Basic Formula

Line 14

Exceptional Pupil Aid

Gifted Aid

Remedial Reading

Fair Share

Free Textbook

Higher Amount Modified by DVM



September Formula Payment

- To determine the September payment amount, take approximately 3/12ths (.25) of the State Monies (Line 17B) less the amount the district received through August.
- The above method can be used to determine the payment amount in any month during the school year.
- If a prior year correction was processed during the month the amount of the positive or negative prior year correction will need to be added to or subtracted from the monthly amount calculated through the above method.



September Formula Payment

September Basic Formula Apportionment	= \$ 3,730,470
.25 of the September Apportionment	= \$ 932,617
Amount paid to district July through August (taken from August transmittal sheet)	- \$ 613,015
September Payment	= \$ 319,602
Prior Year Correction (if applicable)	+/- \$ 0
September Payment	= \$ 319,602



Prior Year Correction

- The 2014-2015 Basic Formula Apportionment will be recalculated at least twice during the 2015-2016 school year.
- December or January will most likely be the first time the recalculation is completed and will reflect the largest correction.
- A second prior year correction will likely be done in May.



Prior Year Correction

- To calculate the prior year correction, start with the June Basic Formula Calculation page. There are two items which may need to be updated.
 - Change the line 1 WADA to the greater of the 2012-2013, 2013-2014 or 2014-2015 actual WADA.
 - Change the uniform proportional adjustment for line 17 (if applicable)
- Calculation sheets are not currently available for the prior year corrections.
- To verify the prior year correction amount the district can complete the calculation tool including the current WADA information and the current proportional adjustment.



Formula Calculation Tool

- The formula calculation tool is available at <http://dese.mo.gov/financial-admin-services/school-finance/calculation-tools>
- When completing this tool to verify the prior year correction amount first complete it based on the June calculation. After verifying that the tool was entered correctly and matches the June calculation, adjust the WADA and the uniform proportional adjustment.



Prior Year Correction

- 2014-15 Basic Formula, Line 17B
 - ▣ June 2015 Calculation \$1,036,437
 - ▣ December 2015 Recalculation \$1,068,273
 - ▣ Difference/Correction \$ 31,836

Note: A district may receive a negative correction even though the district's data did not change.

- A 6% interest penalty applies to the district's overpayment if the June calculation was greater than 5% of what the district should have received for 2014-2015



Total ADA

- Regular Term ADA
 - Regular term attendance hours divided by the calendar hours in session
 - Each district provides the attendance hours to DESE via the Missouri Student Information System (MOSIS) and the calendar to DESE via Core Data
- Summer School ADA
 - Summer school attendance hours divided by 1,044
 - Each district provides the summer school attendance hours to DESE via the Missouri Student Information System (MOSIS)
- Total ADA
 - Regular Term ADA plus Summer School ADA



Attendance Reporting

Basic Attendance Rule

Students must be in attendance in an instructional capacity under the direct supervision of a certificated employee of the district to be counted for attendance purposes. A district may have policies allowing an excused absence for various purposes such as illness, religious beliefs, testing, etc., however, there is no authority to give attendance credit for state aid purposes for students neither in attendance nor under the direct supervision of a certificated teacher.



Attendance Reporting

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What Hours can be Claimed for Attendance

Regular Attendance Hours	Correspondence Course Hours	Virtual Course Hours
Homebound Instruction Hours	School Flex Program Hours	COE Hours
Sheltered Workshop Hours	Remediation Hours	Summer School & ESY Hours

What Hours Cannot be Claimed for Attendance

Attendance Recovery	College Visit	Credit Recovery
Early Dismissal of Seniors	MAP Testing	Out-of-School Suspension
Poor Attendance Days	Zero ("0") Hours	Non-Allowable Summer School Courses



Attendance Hours Claimed for State Aid

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- **Regular Attendance Hours** - Hours of attendance during the time a student is scheduled to be in class when they are under the supervision of a certified instructor (instructor is physically present).



Attendance Hours Claimed for State Aid

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- **Virtual Courses** - Hours of attendance during the time a student is taking a virtual course while on a school campus and under the supervision of a certified instructor (instructor is physically present).
- **Virtual Courses Taken off Campus - Upon completion of course** - 94% of what the attendance hours it would take to complete a course if taking the course in seat if a student is taking a virtual course while off campus (from home).
- **Virtual Courses Taken off Campus - Upon only 50% completion of course** – 47% of what the attendance hours it would take to complete a course if taking the course in seat if a student is taking a virtual course while off campus (from home).

In no case can more hours than a full-time student be claimed for students taking virtual courses.



Attendance Hours Claimed for State Aid

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- **Homebound Instruction** - Full attendance can be claimed if a student has received a minimum of 5 hours of instruction per week by a certificated teacher (Sunday thru Saturday).
 - Student must have a physician approved medical reason that would require the student to receive homebound services.
 - If the school week is a short week (less than a 5 day week) 5 hours of instruction must still be provided to count a student in full attendance for that week.
 - Homebound Instruction is not an option for students that are on long term suspension who do not have an IEP.



Attendance Hours Claimed for State Aid

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- **Remediation Hours** – Attendance hours outside the traditional school day are for those students requiring remediation as a condition for promotion to the next grade level based on the district developed policy to identify such students.
- **Remediation Hours** - Remediation outside the regular school day for students scoring below basic on MAP or below basic on EOC may be counted for additional attendance hours if the remediation relates to the MAP curricular area.



Attendance Hours Claimed for State Aid

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- **Summer School Hours** - Actual summer school attendance and membership hours for students attending an approved summer school program.
 - Must be part of an approved summer school.
 - Attendance cannot be mandatory except for student promotion conditioned on remediation.
 - Student can only attend one district during any one summer.
 - Credit Recovery hours can be completed as part of the summer school program and those attendance hours can be counted for state aid.
- **Extended School Year Hours** - Extended school year hours for special education and related services that are provided beyond the normal school year, in accordance with the child's IEP, at no cost to parents of the child, and meet the standards of the State Education Agency.



Attendance Hours NOT Allowed to be Claimed for State Aid

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- **Attendance Recovery** - There is no allowance in state statute that would allow for the make-up of attendance hours. A school district may require a student to make-up time for excessive absences; however, this does not allow the district to count those hours as attendance hours for the student.
- **College Visits** – A student that is absent from school to go to an independent college visit will be counted as absent during the time that they are away from school. While the school district may allow this as an excused absence this time is still reported as absence hours when reported in MOSIS.



Attendance Hours NOT Allowed to be Claimed for State Aid

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- **Credit Recovery** – A school district may allow a student to make-up credits; however, there is no provision to allow the district to count those hours as attendance for the student during the regular school term.
- **Early Dismissal of Seniors** – A district may dismiss seniors before the last day of school but the students are graduated as of their last day of attendance and no attendance and absent hours are reported from that point on.



Attendance Hours NOT Allowed to be Claimed for State Aid

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- **MAP Testing** - During MAP testing, some districts may choose to release students who are not involved in the testing process (such as seniors), allow some students not involved in the testing process to come to school late, allow students to come to school at the time of the test, etc. While the district may make such decisions, the district cannot count the student as being in attendance during those hours the student was absent.
- **Out-of-School Suspension** - Any student serving an out-of-school suspension is not receiving instructional services and, therefore, should be reported as absent, or in the case of long term suspensions exited from the district.



Attendance Hours NOT Allowed to be Claimed for State Aid

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- **Poor Attendance Days** – Districts are required to report all hours of student attendance and absence. There is no allowance in state statute to drop a day of school due to poor attendance and make that day up with another day. If the district attended school the day must be reported unless it did not meet the minimum day length to count as a day of school according to state statute.
- **Zero (“0”) Hour** - The attendance of students taking a class in a zero (“0”) hour is not included in the attendance reported for state aid since that zero hour is not part of the district’s calendar hours in session.



Attendance Hours NOT Allowed to be Claimed for State Aid

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- **Excused Absences** - A district may have policies allowing an excused absence for various purposes such as illness, religious beliefs, testing, etc., however, there is no authority to give attendance credit for students neither in attendance nor under the direct supervision of a certificated teacher.



Inclement Weather

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- ❑ Inclement Weather, for the purpose of this section, shall be defined as ice, snow, extreme cold, flooding, or a tornado, but such term shall not include excessive heat.
- ❑ Days missed for reasons other than inclement weather have to be made up
- ❑ Districts are required to make up the first 6 days lost due to inclement weather and are required to make up the 7th day and are forgiven the 8th, required to make up the 9th and forgiven the 10th and so forth until 10 days have been made up
- ❑ Specific information and frequently asked questions regarding inclement weather can be located at <http://dese.mo.gov/divadm/finance/topicsandprocedures/documents/sf-InclementWeather.pdf>



Bill Back Procedures (Local Tax Effort)

Section 167.126, RSMo, requires a school district providing education services to a student who resides in another district but was placed in the district by the Department of Mental Health, Department of Social Services or a court of competent jurisdiction to bill the district of domicile an amount equal to the average sum produced per child by the local tax effort of the district of domicile.



Bill Back Procedures (Local Tax Effort)

- Calculated using the Annual Secretary of the Board Report (ASBR) and Core Data for the previous fiscal year.
- Computed by adding the prior year tax revenue the district of domicile received from property taxes, Intangible (Financial Institution) Taxes, M & M Taxes, In Lieu of Taxes and State Assessed Railroad and Utility Taxes, then dividing that sum by the prior year resident Average Daily Attendance (ADA) of the district of domicile.



Bill Back Procedures (Local Tax Effort)

- The educating school district will bill the domicile district by dividing the domicile district's tax effort by the educating district's days in session and then multiplying by the number of days a student attended.

$(\text{Domicile district's tax effort per ADA} / \text{Days in Session}) \times \text{Days Attended}$



Bill Back Procedures (Local Tax Effort)

The local tax effort per ADA is available on the Missouri Comprehensive Data System (MCDS) portal at <http://mcds.dese.mo.gov/Pages/default.aspx>

Once on this website select Quick Facts, then District and School Information and then Local Effort



Minimum Salary Requirements

- Beginning Teacher – Minimum Salary \$25,000
- Master's Degree with 10 years experience
\$33,000



Minimum Salary Requirements

- Substitute teachers filling a regular classroom teacher's position as the teacher of record for the class must be paid the minimum salary
- All teachers are to receive at least their full-time equivalent proration of the applicable minimum salary
- Minimum salary requirements include study hall teachers, in school suspension teachers and all others for whom the students' hours are included in the average daily attendance calculation for state aid



Minimum Salary Requirements

- Section 163.021.3, RSMo, specifies that the penalty for noncompliance with Section 163.172, RSMo, is the reduction of the Basic Formula to the 1993-94 amount.



Non-certificated Educators

- Attendance Hours for any educators without a valid certificate will be disallowed for state aid payment purposes.
- A substitute certificate meets the requirement of a certificate when the employee is functioning as a substitute teacher in the absence of the teacher of record or is employed as the teacher of record.
- A report is available which will identify educators within the district that do not have a valid certificate on file with DESE.
 - To access this report in the Data Collection system, go to the left hand navigational tree and select Reports, then Special Reports, then Staff Certification



Non-certificated Educators

- At the end of the 2014-2015 year, DESE will prepare a list of educators meeting the following criteria:
 - did not hold a valid Missouri educator certificate for the Regular School year teaching assignment or;
 - has a certificate pending but did not initiate the required background check
- School districts notified they have an educator(s) that met the above criteria must provide School Finance with the attendance hours by building and by grade for all students who were under the supervision of those educators since the educator did not have a valid certificate. These hours of attendance will be excluded from the total hours of attendance for the school year.



Non-certificated Educators

- Questions regarding appropriate teacher certification should be directed to Educator Certification.
- Questions regarding documentation for exclusion of attendance hours should be directed to School Finance.





QUESTIONS?

